

2 SSB 5000 - S AMD - 040  
3 By Senator West

4 WITHDRAWN 3/11/95

5 Strike everything after the enacting clause and insert the  
6 following:

7 "Sec. 1. RCW 84.48.080 and 1994 c 301 s 43 are each amended to  
8 read as follows:

9 (1) Annually during the months of September and October, the  
10 department of revenue shall examine and compare the returns of the  
11 assessment of the property in the several counties of the state, and  
12 the assessment of the property of railroad and other companies assessed  
13 by the department, and proceed to equalize the same, so that each  
14 county in the state shall pay its due and just proportion of the taxes  
15 for state purposes for such assessment year, according to the ratio the  
16 valuation of the property in each county bears to the total valuation  
17 of all property in the state.

18 First. The department shall classify all property, real and  
19 personal, and shall raise and lower the valuation of any class of  
20 property in any county to a value that shall be equal, so far as  
21 possible, to the true and fair value of such class as of January 1st of  
22 the current year for the purpose of ascertaining the just amount of tax  
23 due from each county for state purposes. In equalizing personal  
24 property as of January 1st of the current year, the department shall  
25 use the assessment level of the preceding year. Such classification  
26 may be on the basis of types of property, geographical areas, or both.  
27 For purposes of this section, for each county that has not provided the  
28 department with an assessment return by December 1st, the department  
29 shall proceed, using facts and information and in a manner it deems  
30 appropriate, to estimate the value of each class of property in the  
31 county.

32 Second. The department shall keep a full record of its proceedings  
33 and the same shall be published annually by the department.

34 (2) The department shall levy the state taxes authorized by law(~~(+~~  
35 ~~PROVIDED, That~~)). The amount levied in any one year for general state  
36 purposes shall not exceed the lawful dollar rate on the dollar of the

1 assessed value of the property of the entire state, which assessed  
2 value shall be one hundred percent of the true and fair value of such  
3 property in money. The amount levied in any year shall be reduced by  
4 the amount that general fund--state revenues are forecast to be in  
5 excess of the state expenditure limit for the following fiscal year  
6 under chapter 43.135 RCW.

7 The department shall apportion the amount of tax for state purposes  
8 levied by the department, among the several counties, in proportion to  
9 the valuation of the taxable property of the county for the year as  
10 equalized by the department: PROVIDED, That for purposes of this  
11 apportionment, the department shall recompute the previous year's levy  
12 and the apportionment thereof to correct for changes and errors in  
13 taxable values reported to the department after October 1 of the  
14 preceding year and shall adjust the apportioned amount of the current  
15 year's state levy for each county by the difference between the  
16 apportioned amounts established by the original and revised levy  
17 computations for the previous year. For purposes of this section,  
18 changes in taxable values mean a final adjustment made by a county  
19 board of equalization, the state board of tax appeals, or a court of  
20 competent jurisdiction and shall include additions of omitted property,  
21 other additions or deletions from the assessment or tax rolls, any  
22 assessment return provided by a county to the department subsequent to  
23 December 1st, or a change in the indicated ratio of a county. Errors  
24 in taxable values mean errors corrected by a final reviewing body.

25 In addition to computing a levy under this subsection that is  
26 reduced by the amount that general fund--state revenues are forecast to  
27 be in excess of the state expenditure limit, the department shall  
28 compute a hypothetical levy without regard to the reduction. This  
29 hypothetical levy shall also be apportioned among the several counties  
30 in proportion to the valuation of the taxable property of the county  
31 for the year, as equalized by the department, in the same manner as the  
32 actual levy and shall be used by the county assessors for the purpose  
33 of recomputing and establishing a consolidated levy under RCW  
34 84.52.010.

35 (3) The department shall have authority to adopt rules and  
36 regulations to enforce obedience to its orders in all matters in  
37 relation to the returns of county assessments, the equalization of  
38 values, and the apportionment of the state levy by the department.

39 (4) After the completion of the duties ((hereinabove)) prescribed

1 in this section, the director of the department shall certify the  
2 record of the proceedings of the department under this section, the tax  
3 levies made for state purposes and the apportionment thereof among the  
4 counties, and the certification shall be available for public  
5 inspection.

6 **Sec. 2.** RCW 84.52.010 and 1994 c 124 s 36 are each amended to read  
7 as follows:

8 Except as is permitted under RCW 84.55.050, all taxes shall be  
9 levied or voted in specific amounts.

10 The rate percent of all taxes for state and county purposes, and  
11 purposes of taxing districts coextensive with the county, shall be  
12 determined, calculated and fixed by the county assessors of the  
13 respective counties, within the limitations provided by law, upon the  
14 assessed valuation of the property of the county, as shown by the  
15 completed tax rolls of the county, and the rate percent of all taxes  
16 levied for purposes of taxing districts within any county shall be  
17 determined, calculated and fixed by the county assessors of the  
18 respective counties, within the limitations provided by law, upon the  
19 assessed valuation of the property of the taxing districts  
20 respectively.

21 When a county assessor finds that the aggregate rate of tax levy on  
22 any property, that is subject to the limitations set forth in RCW  
23 84.52.043 or 84.52.050, (~~as now or hereafter amended,~~) exceeds the  
24 limitations provided in either of these sections, the assessor shall  
25 recompute and establish a consolidated levy in the following manner:

26 (1) The full certified rates of tax levy for state, county, county  
27 road district, and city or town purposes shall be extended on the tax  
28 rolls in amounts not exceeding the limitations established by law;  
29 however any state levy shall take precedence over all other levies and  
30 shall not be reduced for any purpose other than that required by RCW  
31 84.55.010; however, if as a result of the levies imposed under RCW  
32 84.52.069, 84.34.230, and 84.52.105, the combined rates of regular  
33 property tax levies exceed one percent of the true and fair value of  
34 any property, then the levies imposed under RCW 84.34.230 and  
35 84.52.105, and any portion of the levy imposed under RCW 84.52.069 that  
36 is in excess of thirty cents per thousand dollars of assessed value,  
37 shall be reduced on a pro rata basis or eliminated until the combined  
38 rates of regular property tax levies no longer exceed one percent of

1 the true and fair value of any property; and

2 (2) The certified rates of tax levy subject to these limitations by  
3 all junior taxing districts imposing taxes on such property shall be  
4 reduced or eliminated as follows to bring the consolidated levy of  
5 taxes on such property within the provisions of these limitations:

6 (a) First, the certified property tax levy rates of those junior  
7 taxing districts authorized under RCW 36.68.525, 36.69.145, and  
8 67.38.130 shall be reduced on a pro rata basis or eliminated;

9 (b) Second, if the consolidated tax levy rate still exceeds these  
10 limitations, the certified property tax levy rates of flood control  
11 zone districts shall be reduced on a pro rata basis or eliminated;

12 (c) Third, if the consolidated tax levy rate still exceeds these  
13 limitations, the certified property tax levy rates of all other junior  
14 taxing districts, other than fire protection districts, library  
15 districts, the first fifty cent per thousand dollars of assessed  
16 valuation levies for metropolitan park districts, and the first fifty  
17 cent per thousand dollars of assessed valuation levies for public  
18 hospital districts, shall be reduced on a pro rata basis or eliminated;

19 (d) Fourth, if the consolidated tax levy rate still exceeds these  
20 limitations, the certified property tax levy rates authorized to fire  
21 protection districts under RCW 52.16.140 and 52.16.160 shall be reduced  
22 on a pro rata basis or eliminated; and

23 (e) Fifth, if the consolidated tax levy rate still exceeds these  
24 limitations, the certified property tax levy rates authorized for fire  
25 protection districts under RCW 52.16.130, library districts,  
26 metropolitan park districts under their first fifty cent per thousand  
27 dollars of assessed valuation levy, and public hospital districts under  
28 their first fifty cent per thousand dollars of assessed valuation levy,  
29 shall be reduced on a pro rata basis or eliminated.

30 In determining whether the aggregate rate of tax levy on any  
31 property, that is subject to the limitations set forth in RCW  
32 84.52.050, exceeds the limitations provided in that section, the  
33 assessor shall use the hypothetical state levy, as apportioned to the  
34 county under RCW 84.48.080, that was computed under RCW 84.48.080  
35 without regard to the reduction in the levy for the amount that general  
36 fund--state revenues are forecast to be in excess of the state  
37 expenditure limit.

38 **Sec. 3.** RCW 84.55.092 and 1988 c 274 s 4 are each amended to read

1 as follows:

2 The regular property tax levy for each taxing district (~~other than~~  
3 ~~the state~~) may be set at the amount which would be allowed otherwise  
4 under this chapter if the regular property tax levy for the district  
5 for taxes due in prior years beginning with 1986 had been set at the  
6 full amount allowed under this chapter.

7 The purpose of this section is to remove the incentive for a taxing  
8 district to maintain its tax levy at the maximum level permitted under  
9 this chapter, and to protect the future levy capacity of a taxing  
10 district that reduces its tax levy below the level that it otherwise  
11 could impose under this chapter, by removing the adverse consequences  
12 to future levy capacities resulting from such levy reductions.

13 **Sec. 4.** RCW 84.55.010 and 1979 ex.s. c 218 s 2 are each amended to  
14 read as follows:

15 (1) Except as provided in this chapter, the levy for a taxing  
16 district in any year shall be set so that the regular property taxes  
17 payable in the following year shall not exceed one hundred six percent  
18 or one hundred percent plus inflation, whichever is lower, of the  
19 amount of regular property taxes lawfully levied for such district in  
20 the highest of the three most recent years in which such taxes were  
21 levied for such district plus an additional dollar amount calculated by  
22 multiplying the increase in assessed value in that district resulting  
23 from new construction, improvements to property, and any increase in  
24 the assessed value of state-assessed property by the regular property  
25 tax levy rate of that district for the preceding year.

26 (2) For the purposes of this section, "inflation" means the  
27 percentage change in the implicit price deflator for the United States,  
28 as published by the federal department of commerce, for the fiscal year  
29 ending June 30th of the year preceding the year in which the taxes are  
30 due.

31 **Sec. 5.** RCW 84.55.020 and 1971 ex.s. c 288 s 21 are each amended  
32 to read as follows:

33 (1) Notwithstanding the limitation set forth in RCW 84.55.010, the  
34 first levy for a taxing district created from consolidation of similar  
35 taxing districts shall be set so that the regular property taxes  
36 payable in the following year shall not exceed one hundred six percent  
37 or one hundred percent plus inflation, whichever is lower, of the sum

1 of the amount of regular property taxes lawfully levied for each  
2 component taxing district in the highest of the three most recent years  
3 in which such taxes were levied for such district plus the additional  
4 dollar amount calculated by multiplying the increase in assessed value  
5 in each component district resulting from new construction and  
6 improvements to property by the regular property tax rate of each  
7 component district for the preceding year.

8 (2) For the purposes of this section, "inflation" means the  
9 percentage change in the implicit price deflator for the United States,  
10 as published by the federal department of commerce, for the fiscal year  
11 ending June 30th of the year preceding the year in which the taxes are  
12 due.

13 **Sec. 6.** RCW 35.61.210 and 1990 c 234 s 3 are each amended to read  
14 as follows:

15 The board of park commissioners may levy or cause to be levied a  
16 general tax on all the property located in said park district each year  
17 not to exceed fifty cents per thousand dollars of assessed value of the  
18 property in such park district. In addition, the board of park  
19 commissioners may levy or cause to be levied a general tax on all  
20 property located in said park district each year not to exceed twenty-  
21 five cents per thousand dollars of assessed valuation. Although park  
22 districts are authorized to impose two separate regular property tax  
23 levies, the levies shall be considered to be a single levy for purposes  
24 of the ((one hundred six percent)) limitation provided for in chapter  
25 84.55 RCW.

26 The board is hereby authorized to levy a general tax in excess of  
27 its regular property tax levy or levies when authorized so to do at a  
28 special election conducted in accordance with and subject to all the  
29 requirements of the Constitution and laws of the state now in force or  
30 hereafter enacted governing the limitation of tax levies. The board is  
31 hereby authorized to call a special election for the purpose of  
32 submitting to the qualified voters of the park district a proposition  
33 to levy a tax in excess of the seventy-five cents per thousand dollars  
34 of assessed value herein specifically authorized. The manner of  
35 submitting any such proposition, of certifying the same, and of giving  
36 or publishing notice thereof, shall be as provided by law for the  
37 submission of propositions by cities or towns.

38 The board shall include in its general tax levy for each year a

1 sufficient sum to pay the interest on all outstanding bonds and may  
2 include a sufficient amount to create a sinking fund for the redemption  
3 of all outstanding bonds. The levy shall be certified to the proper  
4 county officials for collection the same as other general taxes and  
5 when collected, the general tax shall be placed in a separate fund in  
6 the office of the county treasurer to be known as the "metropolitan  
7 park district fund" and paid out on warrants.

8 **Sec. 7.** RCW 70.44.060 and 1990 c 234 s 2 are each amended to read  
9 as follows:

10 All public hospital districts organized under the provisions of  
11 this chapter shall have power:

12 (1) To make a survey of existing hospital and other health care  
13 facilities within and without such district.

14 (2) To construct, condemn and purchase, purchase, acquire, lease,  
15 add to, maintain, operate, develop and regulate, sell and convey all  
16 lands, property, property rights, equipment, hospital and other health  
17 care facilities and systems for the maintenance of hospitals,  
18 buildings, structures, and any and all other facilities, and to  
19 exercise the right of eminent domain to effectuate the foregoing  
20 purposes or for the acquisition and damaging of the same or property of  
21 any kind appurtenant thereto, and such right of eminent domain shall be  
22 exercised and instituted pursuant to a resolution of the commission and  
23 conducted in the same manner and by the same procedure as in or may be  
24 provided by law for the exercise of the power of eminent domain by  
25 incorporated cities and towns of the state of Washington in the  
26 acquisition of property rights: PROVIDED, That no public hospital  
27 district shall have the right of eminent domain and the power of  
28 condemnation against any health care facility.

29 (3) To lease existing hospital and other health care facilities and  
30 equipment and/or other property used in connection therewith, including  
31 ambulances, and to pay such rental therefor as the commissioners shall  
32 deem proper; to provide hospital and other health care services for  
33 residents of said district by facilities located outside the boundaries  
34 of said district, by contract or in any other manner said commissioners  
35 may deem expedient or necessary under the existing conditions; and said  
36 hospital district shall have the power to contract with other  
37 communities, corporations, or individuals for the services provided by  
38 said hospital district; and they may further receive in said hospitals

1 and other health care facilities and furnish proper and adequate  
2 services to all persons not residents of said district at such  
3 reasonable and fair compensation as may be considered proper:  
4 PROVIDED, That it must at all times make adequate provision for the  
5 needs of the district and residents of said district shall have prior  
6 rights to the available hospital and other health care facilities of  
7 said district, at rates set by the district commissioners.

8 (4) For the purpose aforesaid, it shall be lawful for any district  
9 so organized to take, condemn and purchase, lease, or acquire, any and  
10 all property, and property rights, including state and county lands,  
11 for any of the purposes aforesaid, and any and all other facilities  
12 necessary or convenient, and in connection with the construction,  
13 maintenance, and operation of any such hospitals and other health care  
14 facilities, subject, however, to the applicable limitations provided in  
15 subsection (2) of this section.

16 (5) To contract indebtedness or borrow money for corporate purposes  
17 on the credit of the corporation or the revenues of the hospitals  
18 thereof, and the revenues of any other facilities or services that the  
19 district is or hereafter may be authorized by law to provide, and to  
20 issue and sell: (a) Revenue bonds, revenue warrants, or other revenue  
21 obligations therefor payable solely out of a special fund or funds into  
22 which the district may pledge such amount of the revenues of the  
23 hospitals thereof, and the revenues of any other facilities or services  
24 that the district is or hereafter may be authorized by law to provide,  
25 to pay the same as the commissioners of the district may determine,  
26 such revenue bonds, warrants, or other obligations to be issued and  
27 sold in the same manner and subject to the same provisions as provided  
28 for the issuance of revenue bonds, warrants, or other obligations by  
29 cities or towns under the Municipal Revenue Bond Act, chapter 35.41  
30 RCW, as may hereafter be amended; (b) general obligation bonds therefor  
31 in the manner and form as provided in RCW 70.44.110 and 70.44.130, as  
32 may hereafter be amended; or (c) interest-bearing warrants to be drawn  
33 on a fund pending deposit in such fund of money sufficient to redeem  
34 such warrants and to be issued and paid in such manner and upon such  
35 terms and conditions as the board of commissioners may deem to be in  
36 the best interest of the district; and to assign or sell hospital  
37 accounts receivable, and accounts receivable for the use of other  
38 facilities or services that the district is or hereafter may be  
39 authorized by law to provide, for collection with or without recourse.



1 General obligation bonds shall be issued and sold in accordance with  
2 chapter 39.46 RCW. Revenue bonds, revenue warrants, or other revenue  
3 obligations may be issued and sold in accordance with chapter 39.46  
4 RCW.

5 (6) To raise revenue by the levy of an annual tax on all taxable  
6 property within such public hospital district not to exceed fifty cents  
7 per thousand dollars of assessed value, and an additional annual tax on  
8 all taxable property within such public hospital district not to exceed  
9 twenty-five cents per thousand dollars of assessed value, or such  
10 further amount as has been or shall be authorized by a vote of the  
11 people. Although public hospital districts are authorized to impose  
12 two separate regular property tax levies, the levies shall be  
13 considered to be a single levy for purposes of the (~~one hundred six~~  
14 ~~percent~~) limitation provided for in chapter 84.55 RCW. Public  
15 hospital districts are authorized to levy such a general tax in excess  
16 of their regular property taxes when authorized so to do at a special  
17 election conducted in accordance with and subject to all of the  
18 requirements of the Constitution and the laws of the state of  
19 Washington now in force or hereafter enacted governing the limitation  
20 of tax levies. The said board of district commissioners is authorized  
21 and empowered to call a special election for the purpose of submitting  
22 to the qualified voters of the hospital district a proposition or  
23 propositions to levy taxes in excess of its regular property taxes.  
24 The superintendent shall prepare a proposed budget of the contemplated  
25 financial transactions for the ensuing year and file the same in the  
26 records of the commission on or before the first Monday in September.  
27 Notice of the filing of said proposed budget and the date and place of  
28 hearing on the same shall be published for at least two consecutive  
29 weeks in a newspaper printed and of general circulation in said county.  
30 On the first Monday in October the commission shall hold a public  
31 hearing on said proposed budget at which any taxpayer may appear and be  
32 heard against the whole or any part of the proposed budget. Upon the  
33 conclusion of said hearing, the commission shall, by resolution, adopt  
34 the budget as finally determined and fix the final amount of  
35 expenditures for the ensuing year. Taxes levied by the commission  
36 shall be certified to and collected by the proper county officer of the  
37 county in which such public hospital district is located in the same  
38 manner as is or may be provided by law for the certification and  
39 collection of port district taxes. The commission is authorized, prior

1 to the receipt of taxes raised by levy, to borrow money or issue  
2 warrants of the district in anticipation of the revenue to be derived  
3 by such district from the levy of taxes for the purpose of such  
4 district, and such warrants shall be redeemed from the first money  
5 available from such taxes when collected, and such warrants shall not  
6 exceed the anticipated revenues of one year, and shall bear interest at  
7 a rate or rates as authorized by the commission.

8 (7) To enter into any contract with the United States government or  
9 any state, municipality, or other hospital district, or any department  
10 of those governing bodies, for carrying out any of the powers  
11 authorized by this chapter.

12 (8) To sue and be sued in any court of competent jurisdiction:  
13 PROVIDED, That all suits against the public hospital district shall be  
14 brought in the county in which the public hospital district is located.

15 (9) To pay actual necessary travel expenses and living expenses  
16 incurred while in travel status for (a) qualified physicians who are  
17 candidates for medical staff positions, and (b) other qualified persons  
18 who are candidates for superintendent or other managerial and technical  
19 positions, when the district finds that hospitals or other health care  
20 facilities owned and operated by it are not adequately staffed and  
21 determines that personal interviews with said candidates to be held in  
22 the district are necessary or desirable for the adequate staffing of  
23 said facilities.

24 (10) To make contracts, employ superintendents, attorneys, and  
25 other technical or professional assistants and all other employees; to  
26 make contracts with private or public institutions for employee  
27 retirement programs; to print and publish information or literature;  
28 and to do all other things necessary to carry out the provisions of  
29 this chapter.

30 **Sec. 8.** RCW 84.08.115 and 1991 c 218 s 2 are each amended to read  
31 as follows:

32 (1) The department shall prepare a clear and succinct explanation  
33 of the property tax system, including but not limited to:

34 (a) The standard of true and fair value as the basis of the  
35 property tax.

36 (b) How the assessed value for particular parcels is determined.

37 (c) The procedures and timing of the assessment process.

38 (d) How district levy rates are determined, including the ((one

1 ~~hundred six percent~~)) limit under chapter 84.55 RCW.

2 (e) How the composite tax rate is determined.

3 (f) How the amount of tax is calculated.

4 (g) How a taxpayer may appeal an assessment, and what issues are  
5 appropriate as a basis of appeal.

6 (h) A summary of tax exemption and relief programs, along with the  
7 eligibility standards and application processes.

8 (2) Each county assessor shall provide copies of the explanation to  
9 taxpayers on request, free of charge. Each revaluation notice shall  
10 include information regarding the availability of the explanation.

11 NEW SECTION. **Sec. 9.** This act applies to taxes levied in 1995 for  
12 collection in 1996 and thereafter."

13 **SSB 5000** - S AMD  
14 By Senator West

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16 On page 1, line 1 of the title, after "reductions;" strike the  
17 remainder of the title and insert "amending RCW 84.48.080, 84.52.010,  
18 84.55.092, 84.55.010, 84.55.020, 35.61.210, 70.44.060, and 84.08.115;  
19 and creating a new section."

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